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Soviet trade talks can be frustrating, CIA finds

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By Lee Strobel

Chicago Tribune Press Service

DALLAS—With its unpredictable bargaining sessions that can stretch into years, negotiating with the Soviet Union can be a frustrating experience unique in international trade.

That's the conclusion of a recently declassified Central Intelligence Agency study that provides interesting insights into Soviet foibles and ploys in negotiating contracts with American firms.

CIA Director Stansfield Turner, while attending the American Bar Association convention here, released the report under a program to disclose less sensitive CIA materials.

THE STUDY says that negotiating a business transaction with Moscow is different from any other international business dealings. It's even distinct from the business practices of its Eastern European allies, which are described as

"much closer to the West's negotiating norms."

The report points out that the Soviets have a double standard on what they consider acceptable business conduct.

"For example," it says, "they fully expect that the U.S. team will both abide by precedent and exhibit predictable behavior. Yet, the U.S. businessman can depend on erratic and unpredictable behavior from the Soviets."

"They are often late for appointments or may simply cancel them without notice."

FRUSTRATION can be compounded by the "carelessness and inefficiency" of the Soviet administrative and clerical support, which is so poor that meetings often are forced to be canceled or postponed.

"The Soviet 'ability' to lose files and documents is legendary, as is their inability to provide timely and efficient typ-

ing, photocopying, and other clerical supports," the report says.

Further complicating matters is the Soviet penchant for secrecy. Sometimes they balk at giving out the minimum amount of information normally needed to prepare equipment specifications and price quotes.

PART OF THE reason for their tight-lipped nature is "a lingering suspicion of Western business motives," the report asserts.

Among the favorite bargaining ploys of Soviet negotiating teams is the "waiting game," a skill which the report says the Soviets play better than anyone.

"This tactic is based on two assumptions: [a] that the U.S. team has relatively little patience, and [b] in order to avoid returning home empty-handed, foreign businessmen eventually will agree to terms that they normally would reject."

The Soviets apparently believe that the background of American bargainers causes them to experience deep feelings of anxiety and failure if an agreement is not reached promptly, and to regard compromise as both inevitable and desirable.

SOMETIMES THE SOVIETS will hold only one or two opening bargaining sessions and then make the U.S. team wait for days, "hoping to pressure them into a departure-time decision."

Another favorite maneuver is to cause confusion by changing their team's leadership without warning or explanation, or to accept in principle the language of a document with the stipulation that "just a few words" are changed.

The report concludes that there is a reason why the Russians often agree to a major contract and then bicker incessantly over charges for items that cost just a few dollars.

"The Soviets use this tactic to impress their superiors that not even the small-

est detail has been overlooked in the negotiations," the report says.

And sometimes, the Russians will conduct negotiations in Moscow with two competing American firms at the same time to play one company off against the other.

While Western business sales often are concluded with a simple purchase order and some price discussions, the Soviets usually insist on full-fledged negotiations "in which they literally nit-pick over every detail."

And while social functions play only a minor role in commercial negotiations in Moscow, the Soviets especially appreciate American efforts to entertain them when they are in the United States.

To get on their good side, the report suggests a "typical American cookout." If that doesn't work, try a shopping center expedition, where the Russians are fond of "clearing the shelves."